

Kinnikinnick Schools: Solving the Budget Shortfall

Kinnikinnick Consolidated Community Schools #131
January 16, 2014



Presented by Superintendent Keli Freedlund

What do we stand for?

Reaching for New Heights!



Our mission threatened...

Executive Summary

The Kinnikinnick community expects educational excellence. We are proud of what we have accomplished and fear the continued budget shortfall will jeopardize the educational environment that we provide to our students.

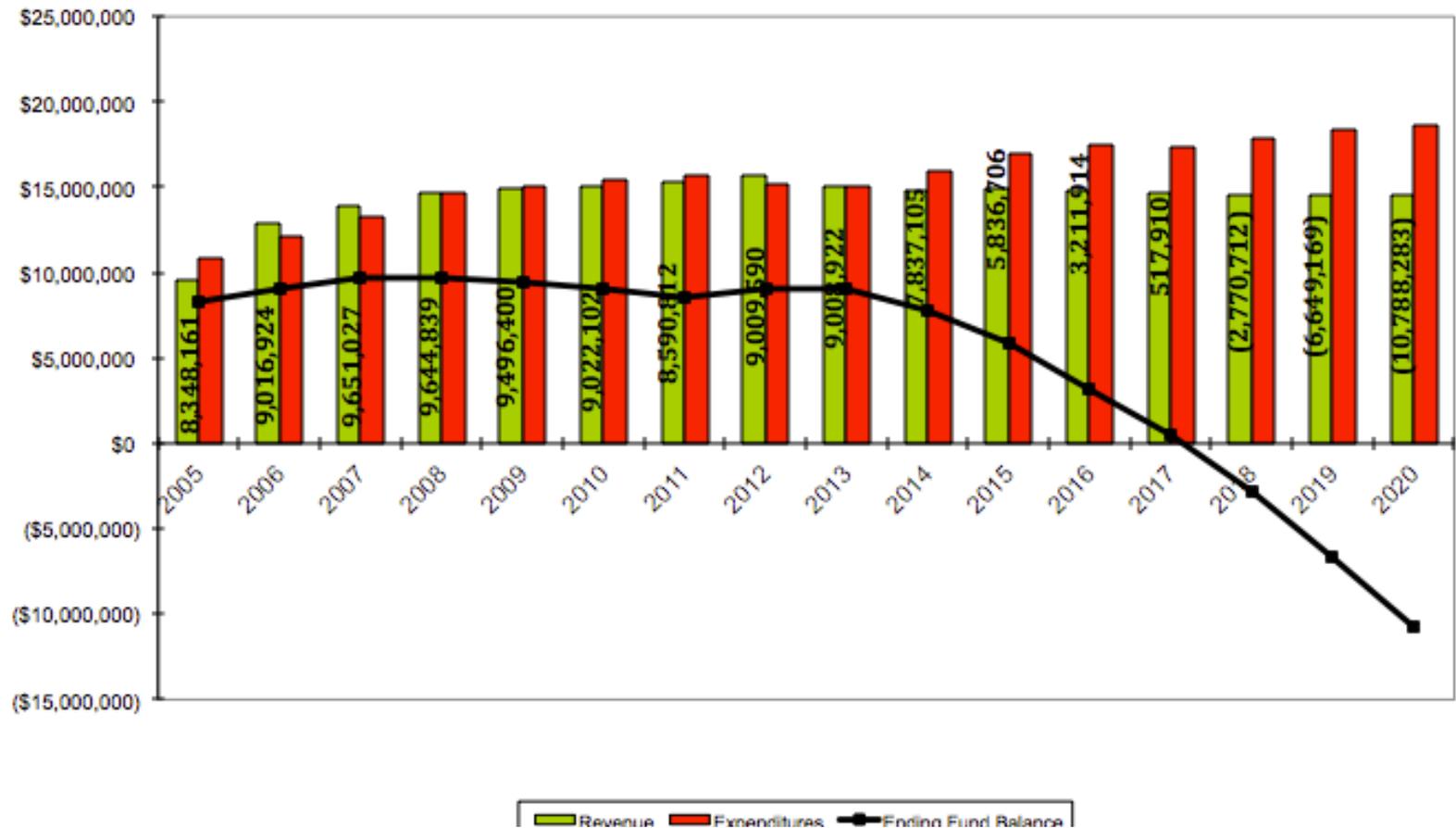
- In order to meet community and state expectation, the District has deficit spent on average \$460, 627 since 2009.
- We have a current budget shortfall of \$1 million dollars and rapidly declining reserves.
- We project that reserves will be depleted by the 2016-2017 school year.
- Further budget cuts or increased revenue are needed to resolve the deficit created by lost State and Federal funding while continuing to meet State educational mandates and community expectations.

Historical perspective

- District strategic plan developed and approved in 2012 identified referendum as necessary action plan
- Board approved a referendum committee to investigate and make recommendations for financial stability (Spring/Summer 2013)
- Supt. sent and posted on the website a letter and presented at Orientation nights to inform stakeholders of BOE action (Fall 2013)
- Concerned citizens form a public advocacy committee in support of a referendum, who began public conversation at Fall Festival (Fall 2013)
- Board Committee makes recommendation to BOE to pass a referendum to increase revenue in the District (Fall 2013)
- Committee of the Whole and Board Meetings, open to the public, discussed a tax increase (Fall/Winter 2013)

Current Financial Projections

District's Summary of Operations
(Operating Funds Only)



What have we done to reduce expenditures?

- Kinnikinnick has operated efficiently by proactively adjusting staffing and programming since 2002 to meet the needs of District students.
- Kinnikinnick class sizes already exceed the neighboring districts also sending students to Hononegah High School.
- All employee groups have accepted salary freezes in 2 of the last three years.

Are we fiscally responsible?

- Kinnikinnick has the lowest combined school district tax rate in the Boone-Winnebago Region.
- Kinnikinnick has the lowest operating cost per student of any of the Hononegah sender schools.
- Kinnikinnick has the lowest operating cost per student compared to other **large** elementary K-8 districts with similar achievement scores.
- Kinnikinnick has not passed a referendum since 1998.

Kinnikinnick is already one of the most efficient districts in the Boone Winnebago Region.

DISTRICT	NO.	District tax rate 2012	High School Tax Rate	Tax Rate K-12
Harlem	122	7.1627	NA	7.1627
Durand	322	7.1521	NA	7.1521
North Boone	200	6.9459	NA	6.9459
South Beloit	320	6.8366	NA	6.8366
Rockford	205	6.6884	NA	6.6884
Winnebago	323	6.6206	NA	6.6206
Pecatonica	321	6.6038	NA	6.6038
Prairie Hill	133	4.1837	2.3729	6.5566 *2015
Shirland	134	3.6653	2.3729	6.0382 *2014
Rockton	140	3.4937	2.3729	5.8666
Belvidere	100	5.7805	NA	5.7805
Kinnikinnick	131	3.2985	2.3729	5.6714
Hononegah	207	2.3729	NA	NA

Comparison of the Hononegah sender schools

District	Enrollment	Achievement 2013 ISAT	Operating Expense/ Pupil
Shirland	131	67%	\$9,348
Rockton	1525	78%	\$9,328
Prairie Hill	758	78%	\$8,332
Kinnikinnick	1991	76%	\$7,757
State Average		59%	\$11,842

Source: 2013 Illinois State Report Cards

Comparison to Large Elementary Districts

District	Enrollment	Achievement 2013 ISAT	Operating Expenditure/pupil
Winnetka SD 36	1830	90	\$19,663
Lake Forest SD 67	1945	85	\$14,516
Aptakisic-Tripp	2044	83	\$15,201
CCSD 89- Glen Ellyn	1968	77	\$12,194
Kinnikinnick	1991	76	\$7,757
Homewood SD 153	1910	65	\$11,391
Bensenville SD 2	2157	57	\$13,617
Queen Bee SD 16	1915	56	\$11,346
Streator	1957	50	\$10,609
Park Forest SD 163	1965	43	\$13,418

Source: 2013 Illinois Interactive Report Card

A property tax increase will:

Allow the Kinnikinnick District to continue to deliver an excellent education by:

- limiting reductions to school staff to educate our students **positively impacting class size**
- providing the necessary material and resources in the classroom to **prepare our students for college and successful careers**
- providing teachers and students with training specifically in the area of **technology**
- continuing to evaluate District programming to **provide interdisciplinary electives** such as library, art, music, and extracurricular activities.
- creating **financial stability** for the District over time.

Increased Home Values

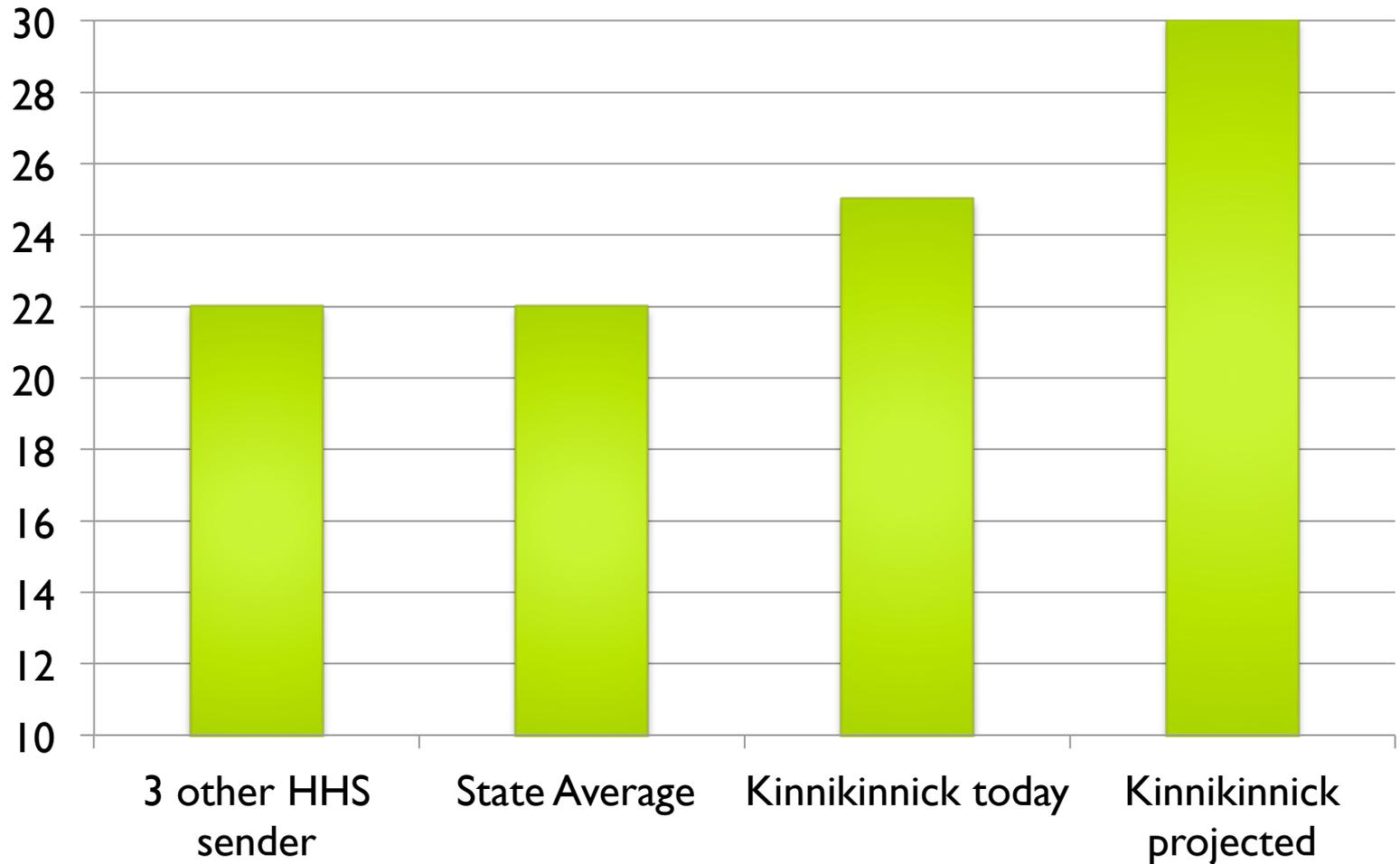
CITY	SCHOOL DISTRICT	MEDIAN HOUSE VALUE
Rockford	Rockford	\$106,600
Machesney Park Loves Park	Harlem	\$121,300 \$121,600
South Beloit	South Beloit	\$126,200
Rockton	Rockton	\$170,300
Roscoe	Kinnikinnick	\$172,000

Source: US Census Bureau, 2008-2012, 5 Yr. Estimates

Without additional revenue, the District must consider **reduction or elimination of non-mandated programs** listed below to close the budget deficit. Any of these options will have a serious impact on Kinnikinnick CCSD #131 educational quality.

- Music
- Art
- Library
- Technology Instruction
- Physical Education
- Reading Support
- Extra Curricular Activities
- Honor's program
- Transportation
- Preschool
- Middle School Concept (2 Houses for each grade level)

Projected Average Class Size without Additional Revenue



Source: 2013 Illinois Interactive Report Card

What will it take to maintain current programming and eliminate the current deficits?

- Voters will be asked to approve 12.5% in the property tax extension limitation calculation for their 2014 and 2015 property taxes rather than the lesser of CPI or 5%.
- This increase roughly translates into an additional \$105.64 for the owner of a \$100,000 home in 2014 and an additional \$101.77 in 2015.

The District is asking the voters to increase the extension limitation rate to 12.5%.

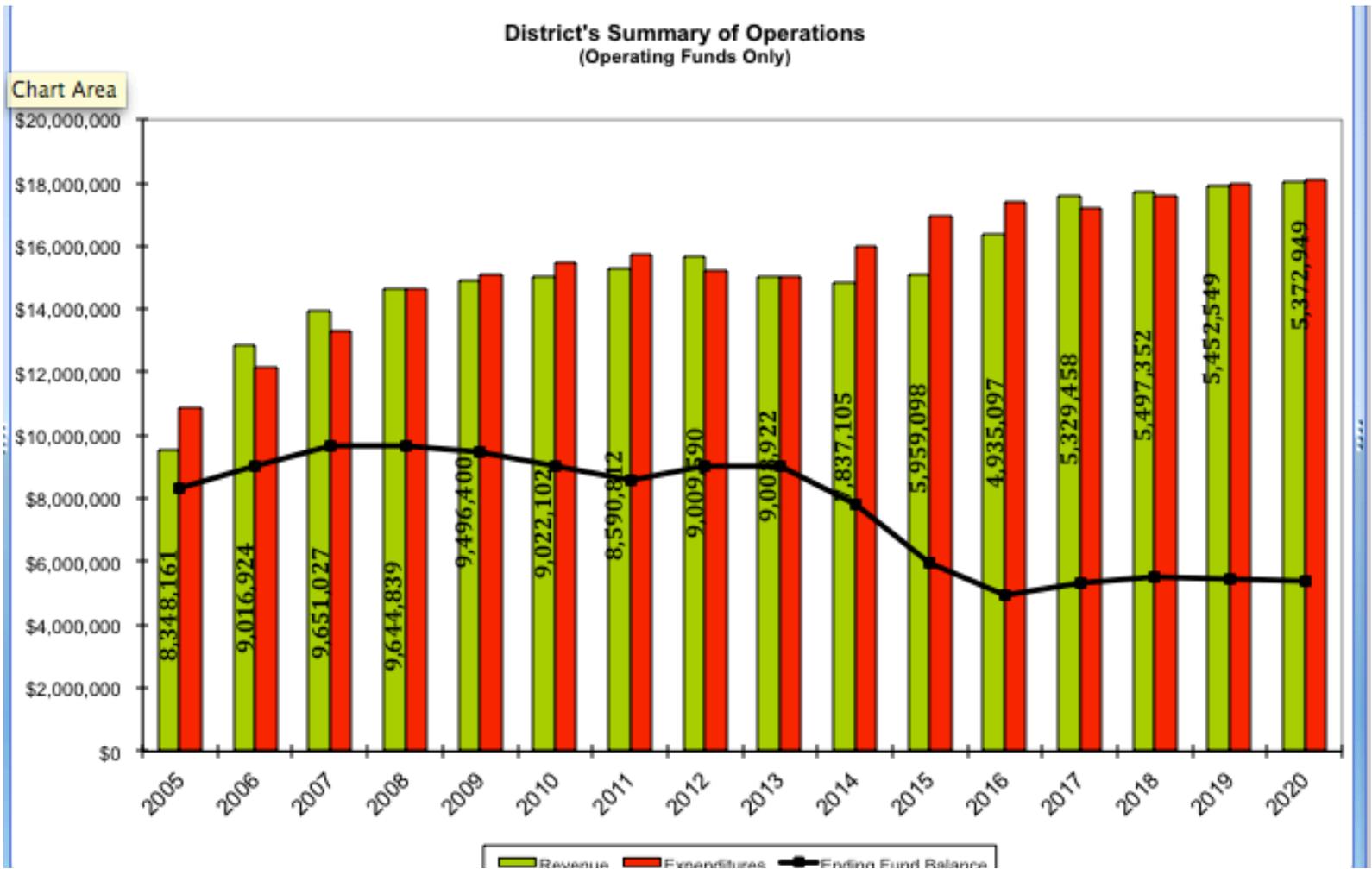
What exactly does this mean?

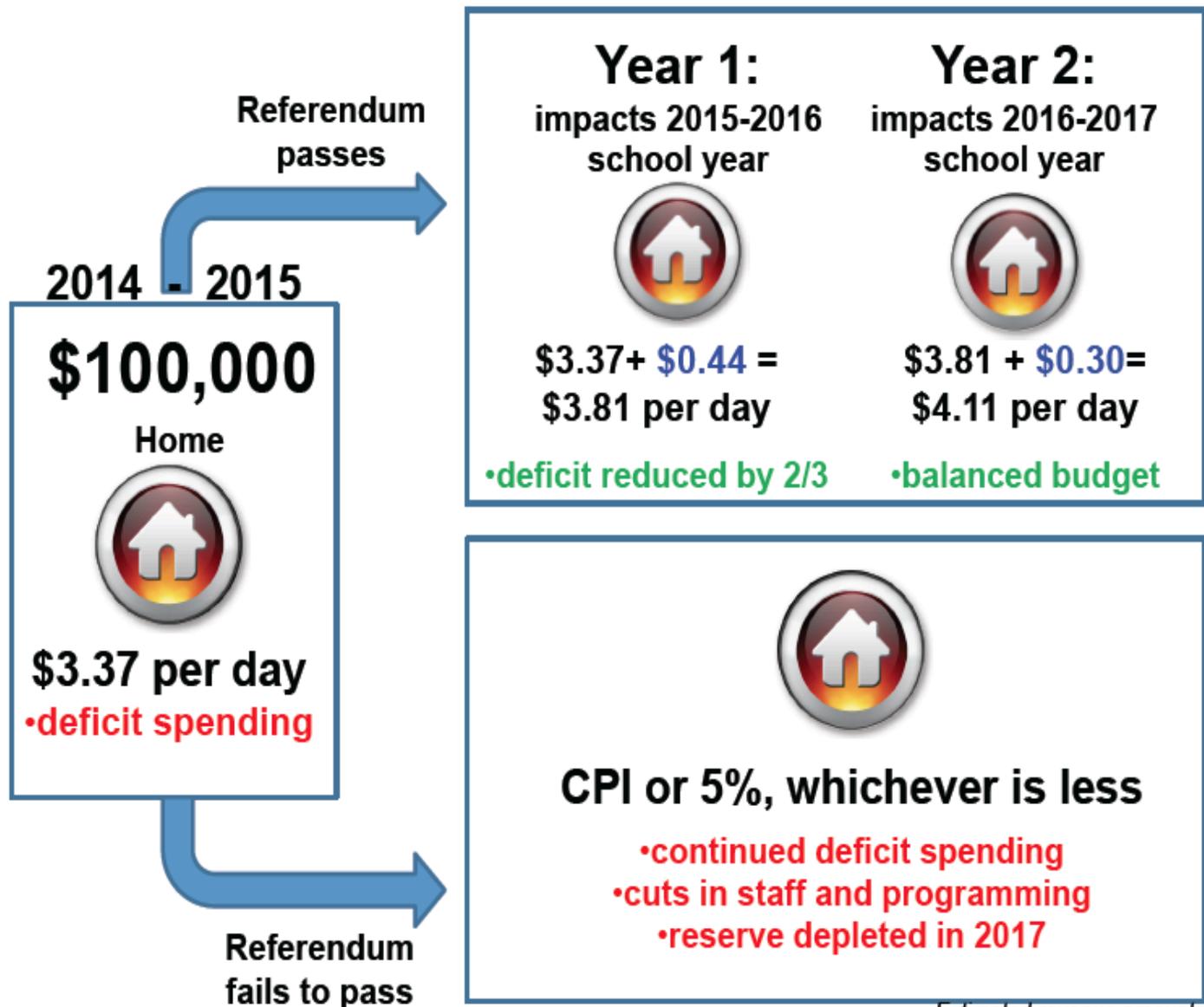
- The Property Tax Cap calculation formula only allows annual school property taxes to increase by the rate of inflation (CPI) or 5%, whichever is less, plus a factor for new construction. The school board is asking permission to use 12.5% in the County Clerk's tax cap calculation rather than the CPI or 5% for 2 years 2014 and 2015 calculations.

What happens in 2016?

- In 2014 and 2015 we are proposing to use 12.5% in place of CPI or 5% whichever is less in the limiting rate formula.
- In 2016, the limiting rate would be calculated according to tax cap law, utilizing CPI or 5% whichever is less.

Projections with Additional Revenue





Estimated revenue amounts

Estimated Taxpayer Impact

<i>Levy Year</i>		2015			2016			2017	
<i>Operating Tax Rate</i>		<i>Est. Incr.</i>		4.0748	<i>Est. Incr.</i>		4.1646	<i>Est. Incr.</i>	4.2564
<i>Total Tax Rate</i>		0.4780		4.1723	0.3310		4.5033	0.0388	4.5421
<i>Market V</i>	<i>EAV</i>	<i>Annual Incr.</i>	<i>Monthly Incr.</i>	<i>Est. Taxes</i>	<i>Annual Incr.</i>	<i>Monthly Incr.</i>	<i>Est. Taxes</i>	<i>Annual Incr.</i>	<i>Est. Taxes</i>
\$100,000	\$33,333	\$159.33	\$13.28	\$1,390.77	\$110.33	\$9.19	\$1,501.10	\$12.93	\$1,514.03

Source: Kinnikinnick CCSD #131 Financial Projections

Planning for our children...

- In the 2012-13 school year, we polled our parents on top District priorities.

Class size
Technology
Facilities

- In 2012, we approved the District strategic plan which in addition gave priority to

Elective course offerings (Fine arts, language and technology)

Our priorities remain steadfast today...

Allow the Kinnikinnick District to continue to deliver an excellent education by:

- limiting reductions to school staff to educate our students **positively impacting class size**
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More information

- www.kinn131.org
- Email kfreedlund@kinnschools.org

Power School Parent Portal

Roscoe PTO

Employment Opportunities

Digital Backpack

E-Pay (Electronic Payments)

Accelerated Reader

From the Desk of the Superintendent

[Click here for Referendum FAQs](#)



Superintendent's Archive

August 2013

Letter from
Christopher A. Koch, Ed.D.
State Superintendent
of Education

Kinnikinnick Referendum Information Election: March 18, 2014

September 2013

Letter to the Community from Keli Freedlund,
Superintendent of Kinnikinnick CCSD #131

Fall 2013

District Finances and Referendum Fact Sheet

October 2013

Kinnikinnick District Report Card Letter

December 18, 2013

Press Release on Vote to Put Tax Referendum on Ballot

Superintendent's State of the District
Presentation to the School Board

January 16, 2014

Save the Date for a Town Hall Meeting on the Tax
Referendum

Kinnikinnick School District Mission

"To encourage and empower all students to reach their highest potential."